



Ministry of External Affairs
Government of India

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QUESTION NO.651 LEASING RIGHT OF HAMBANTOTA PORT IN SRI LANKA

February 08, 2018

RAJYA SABHA
UNSTARRED QUESTION NO.651
TO BE ANSWERED ON 08.02.2018

LEASING RIGHT OF HAMBANTOTA PORT IN SRI LANKA

651. SHRIMATI WANSUK SYIEM:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether China has secured the operational lease rights of the Hambantota Port in Sri Lanka for 99 years, in pursuit of its 'One Belt One Road' dream project; and

(b) whether by letting this opportunity go the China way, India has underestimated the strategic importance of Hambantota, both in terms of maritime dominance in Indian Ocean and shipping trade originating from India?

ANSWER
THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS
[GEN. (DR) V. K. SINGH (RETD)]

(a) & (b) On 09 December 2017, the Magampura Mahinda Rajapaksa Port (Hambantota Port) was handed over by Government of Sri Lanka to two Joint Venture companies, Hambantota International Port Group Co. Ltd. (HIPG), and Hambantota International Port Services Co. Ltd. (HIPS) in pursuance of the Concession Agreement signed on 29 July 2017 between Government of Sri Lanka, Sri Lanka Port Authority (SLPA), China Merchants Ports Holding Company Ltd. (CMPort), HIPG and HIPS.

The agreement provided for transfer of all movable property and lease of immovable property in the Port to HIPG and HIPS. China Merchants Ports Holding Company Ltd. (CMPort) has a majority stake of 85% and Sri Lanka Port Authority (SLPA) has remaining 15% stake in HIPG. In HIPS, SLPA has 42% stake and HIPG

has the remaining 58% stake. The lease of the Port is valid for a period of 99 years.

Government keeps a constant watch on developments having a bearing on India's security and economic interest, and takes all necessary measures to safeguard it. India is confident about the strength and enduring nature of its bilateral ties with Sri Lanka, which are deep-rooted and multi-dimensional. India has taken up with Sri Lanka security issues, including in the regional context. We are hopeful that Sri Lanka will continue to keep in mind India's security concerns and sensitivities.



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